Real Estate Broker Minimum Service Bills Die in Legislature

December 29, 2006--Two bills requiring real estate brokers to provide minimum services died as the Michigan Legislature adjourned for the year. After passing the House nearly unanimously, House Bills 4849-50 came within a cat's whisker of passing the Senate this summer. At the last minute, opposition from the Governor's Office and withdrawal of support by key Senators turned the tide. The bill stalled at that point and efforts in late November and early December to get an alternative proposal enacted were unsuccessful.

The failure of minimum services legislation in Michigan is significant in that it is the first setback in what had been a very successful national trend. Similar proposals had been enacted or promulgated in several other states, including Texas, Oklahoma, Missouri, and Illinois. It looked like they would pass in Michigan as well. The Department of Labor & Economic Growth opposed the original House bills and received early support from the Federal Trade Commission and the United States Department of Justice. The bills were also opposed by some limited service real estate brokers.